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CITIZENS SUMMARY

Findings in the audit of Bates County

Sheriff Employee Reimbursements	<p>The Sheriff, his administrative assistant, and deputy sometimes circumvent the normal county budgeting and disbursement process by using personal credit cards to purchase numerous items for operations. Also, detailed expense reimbursement forms with supporting documentation are not prepared for travel costs incurred. Audit staff reviewed 10 reimbursement requests and found 42 items claimed for reimbursement were not supported by adequate documentation. For example, the County Commission approved a \$4,429 payment to the Sheriff's credit card vendor for airline tickets and hotel reservations for a law enforcement conference in Hawaii in January 2012 without any documentation to support the expense other than a letter from the Sheriff requesting the payment. The county reimbursed the Sheriff's administrative assistant \$1,415 twice for the same purchases, and there is no supporting documentation to show the duplicate payment was applied to other county purchases. The Sheriff's department lacks formal written policies for meal expenses. Meals were frequently provided to department personnel at training sessions or meetings held locally and these payments were not added to employee W-2 forms as a taxable benefit.</p>
Mileage and Fuel Use	<p>The road and bridge and Sheriff's departments do not adequately monitor fuel use. The road and bridge bulk fuel tank is not metered, and records of fuel dispensed are not maintained. Sheriff's deputies are assigned fuel cards, but fuel purchases are not reconciled to billings, mileage and fuel logs are not retained, and a policy regarding appropriate vehicle use and any reporting requirements has not been adopted.</p>
Sheriff Controls and Procedures	<p>Accounting duties are not properly segregated, and an adequate supervisory review is not performed. A monthly list of liabilities was not prepared for either the fee or commissary bank accounts, so liabilities were not compared to the reconciled bank balances. At the request of audit staff, a list of liabilities was prepared for the commissary account and was \$5,174 less than the reconciled bank balance. Receipts are not deposited timely, which increases the risk of loss or misuse. A \$14,669 deposit included \$5,570 in cash, some of which had been on hand for a week before deposit. The Sheriff's department maintains inventory records to track commissary items, and a physical inventory is performed quarterly, but discrepancies are not investigated. Instead, the commissary clerk adjusts the inventory numbers. For example, 200 phone cards were purchased on November 16, 2011, but the commissary clerk only posted 195 to the system to agree the number on hand to the inventory record.</p>
Timesheets	<p>All county employees estimate the number of hours to be worked during the last few days of the pay period on timesheets, but the Sheriff's office does not ensure that the reported estimated hours are compared to the actual hours worked.</p>

Capital Assets	As noted in previous audits, procedures and records to account for county property are not adequate. The county has no procedure to identify capital asset purchases and dispositions throughout the year, and property is not always tagged for specific identification.
Prosecuting Attorney Controls and Procedures	Follow up on outstanding restitution checks is not adequate, and at December 31, 2011, there were 68 outstanding checks totaling \$5,597 more than a year old, but no action had been taken to determine why these checks had not cleared the bank. In addition, overage amounts in the restitution bank account (including interest, overpayments, and undeliverable checks) are not properly disbursed in accordance with state law. Since 1997, our office has made recommendations for the disposition of these funds, but, instead, the Prosecuting Attorney began authorizing payments from the overage amount to victims who would not otherwise receive restitution payments. State law does not authorize the disposition of overage funds in this manner. The Prosecuting Attorney paid bonuses to three employees in December 2010 from the Bad Check Fund, but the Missouri Constitution forbids the payment of bonuses to public officers for services already rendered.
Additional Comments	Because counties are managed by several separately-elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.

In the areas audited, the overall performance of this entity was **Fair**.^{*} However, the audit revealed serious shortcomings with the Sheriff's office.

American Recovery and Reinvestment Act (Federal Stimulus)	Bates County did not receive any federal stimulus monies during the audited time period.
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^{*}The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.